

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 133
 (H) Publish Date: 2/19/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title "... restitution for criminal and delinquency acts; BRU Civil Division
authorizing the state to collect restitution on behalf of victims ..." Component Collections and Support
 Sponsor Rules Committee
 Requester Governor Component No. 2210

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	143.7	153.4	153.4	153.4	153.4	153.4
Travel	0.3	0.4	0.4	0.4	0.4	0.4
Contractual	99.8	141.1	141.1	141.1	141.1	141.1
Supplies	6.2	5.1	5.1	5.1	5.1	5.1
Equipment	56.5					
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	306.5	300.0	300.0	300.0	300.0	300.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	306.5	300.0	300.0	300.0	300.0	300.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	306.5	300.0	300.0	300.0	300.0	300.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	3	3	3	3	3	3
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This bill will allow the state, at the option of a crime victim, to collect restitution on behalf of the crime victim or victim of a delinquent act. The collections would be performed by the Collections unit in the Collections and Support section of the Department of Law.

 Currently, the Collections unit collects criminal fines and related costs and certain civil judgments and administrative penalties. The primary means of collecting these judgments is through annual automated attachment of permanent fund dividends. For civil judgments, additional collection actions may be taken, including attachment of bank accounts, garnishment of wages, and judgment debtor exams. With only a few exceptions, all money collected by the unit is paid to the general fund. Thus, the unit does not currently track individual payees.

 The unit currently has a collections database which provides a method for efficient and streamlined collection of debts owed the state. With some modifications, the database and related collections procedures could be used to collect restitution on behalf

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 Agency: Department of Law

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ANALYSIS CONTINUATION

of crime victims.

No actual count of the number of victim restitution judgments per year is maintained. Based on the number of criminal convictions and delinquency dispositions in FY00 for crimes and violations that usually have a restitution judgment entered by the court, we estimate there could be as many as 5,000 to 5,500 restitution orders each year.

In order to add restitution judgments to its caseload, the Collections unit will need to upgrade its existing computer system including 1) the purchase of computer hardware with a larger storage capacity to handle the increased caseload, and 2) computer programming to allow the collections database to recognize restitution judgments and track payee information. Further, four new administrative positions will be necessary to handle these new cases.

The Collections unit anticipates it will need one new full-time Administrative Clerk II to enter judgment data into the database and update victim and defendant information, hold primary responsibility to handle phone calls from victims and defendants, and file paperwork. A full-time Legal Secretary I will also be needed to send introductory letters to victims and defendants regarding the collections process, post payments, prepare check requests and send payments to victims, assist the Administrative Clerk with phone calls from victims and defendants, and calendar and monitor inactive cases for periodic locate efforts. A FTE paraprofessional will be required to obtain writs of execution, prepare court paperwork for bank sweeps and wage garnishments, coordinate with probation officers, the Criminal Division, and other state and municipal agencies as required to obtain information necessary to collect the debts owed the victim, and manage any private collection contracts. An additional full-time Accounting Clerk II will also be necessary to process the payment distribution to victims upon successful collection of the debts. This position will be located in the Administrative Services Division of the Department of Law, and funded by intra-agency receipts from Collections and Support in the Civil Division BRU.

The cost of a FTE paraprofessional (\$92.2) is based on the Civil Division's FY02 standard cost allocation schedule, and includes general clerical support, communications, space, supplies, data processing, and other normal overhead expenses. However, the hourly rate for Civil Division attorneys and paraprofessional does not recover the costs of clerical positions in the Collections unit because these positions are specialized and are not available to other sections. Therefore, the three new clerical/administrative positions to handle victim restitution must be added separately. (Admin Clerk II: \$44.7; Legal Secretary II: \$50.0; Accounting Clerk II: \$43.5)

Computer hardware upgrades and programming upgrades will take place in FY02. It will not be necessary to put all the staff on until the upgrades are complete. This funding request short-funds the positions in FY02, and shifts the funds for equipment and programming in FY03 back into personnel and other on-going costs. Only the equipment costs for the Legal Secretary I position of \$6.5 are considered one-time funds.

This fiscal note partially duplicates an increment for \$250.0 that is included in the Department of Law's FY02 operating budget request to implement this legislation. The additional \$56.5 in this fiscal note is for the Legal Secretary II position. When the operating budget was being developed, Collections was expecting only a few hundred new cases would result. The increment did not anticipate thousands of new cases. The two positions originally envisioned could not handle the volume of correspondence and telephone calls this many new cases will generate, in addition to doing the work necessary to legally process the judgments to collect restitution. An operating budget amendment will be submitted for the additional \$56.5 so this fiscal note will mirror the increment request.